

Message Text

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PAGE 01 PEKING 01384 140332Z

61

ACTION EA-14

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CIAE-00 DODE-00 INR-11 NSAE-00 PA-04 RSC-01 USIA-15

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TAGS: ETRD, EAGR, EXCON, CH, US

SUBJECT: US BUSINESS VISITORS TO PEKING

REF: PEKING 1268

1. IN THE PAST TWO WEEKS, SINCE OUR LAST REPORT ON THE SUBJECT: (REFTEL), USLO HAS HAD A FAIR NUMBER OF BUSINESS VISITORS, MANY OF WHOM ARE IN PEKING IN CONNECTION WITH THE SWISS EXHIBITION WHICH OPENED HERE ON AUGUST 7. THESE VISITORS, AND THEIR ACTIVITIES ON BEHALF OF US FIRMS, ARE DESCRIBED BRIEFLY AS FOLLOWS:

2. CHROMALLY AMERICAN CORPORATION. ANGELO PEZZANI OF CHROMALLOY IS HERE WITH ALBE LTD., A SWISS SUBSIDIARY PARTICIPATING IN THE SWISS EXHIBITION. WHILE IN PEKING, PEZZANI HAS HELD TALKS WITH THE TEXTILES CORPORATION, WHICH HAS MADE FURTHER CONCESSIONS IN A MATTER RELATING TO CHROMALLOY'S OVERPURCHASE OF CERTAIN GOODS AT LAST FALL'S CANTON FAIR (PEKING 0626) AND HAS INVITED CHROMOLLOY TO SEND A TEXTILE BUYING DELEGATION TO PEKING IN SEPTEMBER. PEZZANI IS ALSO NEGOTIATING TO BUY 400 THOUSAND POUNDS OF ANTIMONY TRIOXIDE (FOR FIREPROOFING FABRICS) FROM THE LIMITED OFFICIAL USE

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PAGE 02 PEKING 01384 140332Z

METALS AND MINERALS CORPORATION, AND TO PURCHASE NUMEROUS

CHEMICALS FROM THE CHEMICALS CORPORATION. HE IS ALSO MAKING GENERAL PRESENTATIONS TO TECHIMPORT AND MACHIMPEX ON BEHALF OF VARIOUS AFFILIATED CHROMOLLOY COMPANIES.

3. PLAINS COTTON COOPERATIVE ASSOCIATION (PCCA). HENRY PATTON, MARKETING MANAGER OF PCCA, WHICH HAS MADE LARGE SALES OF US COTTON TO THE PRC, WAS IN PEKING LAST WEEK FOR DISCUSSIONS RELATING TO DELIVERY SCHEDULES FOR THE BALANCE OF EXISTING PURCHASE CONTRACTS. IN 1973-74, PCCA HAS SOLD CHINA SOME 265,000 BALES.

4. CONTROL DATA CORPORATION (CDC) FRANCE. BERTRAND IMBERT, DIRECTOR GENERAL OF CDC FRANCE, IS IN PEKING FOR FINAL NEGOTIATIONS ON THE SALE OF A COMPUTER AND RELATED EQUIPMENT FOR PROCESSING OF SEISMIC DATA FOR OIL EXPLORATION (PEKING 730). THE DEAL WOULD INVOLVE ABOUT DOLS 5.5 MILLION FOR CDC; MOST OF THE EQUIPMENT AND COMPONENTS WOULD COME FROM THE US. A CONTRACT MAY BE SIGNED VERY SOON, BUT IMBERT IS WORRED ABOUT THE PROBLEM OF OBTAINING AN EXPORT LICENSE.

5. ALKINCO. KULIUS KLUGMAN, PRESIDENT OF THIS NEW YORK FIRM, HAS BEEN IN PEKING FOR A WEEK OF DISCUSSIONS ON BRISTLES AND FINE HAIRS, HIS MAIN BUSINESS, AND ON SHOES AND OTHER LIGHT INDUSTRIAL PRODUCTS WHICH KLUGMAN BUYS IN SMALL AMOUNTS FROM CHINA. HE IS PRIMARILY TRYING TO INTEREST THE CHINESE IN A SCHEME TO DEVELOP THE MARKET FOR CHINA BRISTLES IN THE US, BUT THE CHINESE SEEM MOSTLY INTERESTED IN GETTING HIS ADVICE ON THEIR SLUGGISH BUSINESS IN FINE HAIRS. KLUGMAN IS ALSO VISITING TIENTSIN AND SHANGHAI. IT IS NOT YET CLEAR WHETHER SPECIFIC PURCHASES FROM CHINA WILL RESULT FROM THE VISIT.

6. 3M (EAST) AG. THIS SWISS BASED BRANCH OF THE US FIRM IS RESPONSIBLE FOR HANDLING ALL 3M EXPORTS TO CHINA. JOHN MARSHALL, A BRITISH NATIONAL WITH 3M (EAST) WHO IS IN PEKING ATTENDING THE SWISS EXHIBITION, CALLED ATUSLO TO DISCUSS HIS EFFORTS TO INTEREST THE CHINESE IN VARIOUS POSSIBLE RELATIONSHIPS WITH 3M. THE FIRM, HE SAID, HAS MADE A PROMISING START IN SALES OF VIDEO AND COMPUTER TAPES, AND IS HOPING TO EXPAND SALES TO COVER OTHER ITEMS. HE IS ALSO TRYING TO ARRANGE A VISIT BY A 3M TEAM FROM THE US TO TALK LIMITED OFFICIAL USE

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PAGE 03 PEKING 01384 140332Z

ABOUT A POSSIBLE PLANT AND TECHNOLOGY DEALS.

7. BROWN AND SHARPE MANUFACTURING CO. HENRY SHARPE JR., PRESIDENT OF THIS RHODE ISLAND FIRM, IS ATTENDING THE SWISS EXHIBITION WITH TEZA S.S. (LAUSANNE), A WHOLLY OWNED SUBSIDIARY. SHAPRE'S PRIMARY INTEREST IN PEKING, HE EXPLAINED, IS TO PROMOTE THE LONG TERM EFFORT OF THE NATIONAL MACHINE TOOLS BUILDERS' ASSOCIATION (NMTBA) TO INITIATE AN EXCHANGE OF

DELEGATIONS WITH THE PRC. THE NMTBA, OF WHICH SHARPE IS A PAST PRESIDENT, IS PARTICULARLY ANXIOUS TO HAVE A CHINESE DELEGATION ATTEND THE INTERNATIONAL MACHINE TOOL SHOW IN CHICAGO THIS SEPTEMBER.

8. GENERAL SUPERINTENDENCE CO., LTD. TWO OFFICIALS OF THE SWISS PART OF THIS INTERNATIONAL FIRM, HENRY WOOG AND F.N.A. MUMMERY, WHO ARE IN PEKING FOR THE SWISS EXHIBITION, CALLED AT USLO TO DISCUSS THE PROSPECTS FOR THIS FIRM IN SINO-US TRADE. THEY BELIEVE THE FIRM CAN PLAY A ROLE IN SUCH MATTERS AS QUALITY AND QUANTITY INSPECTIONS, LABORATORY TESTING, COMPLIANCE OF CHINESE GOODS WITH USG STANDARDS, WAREHOUSING, ETC. THEY SAID THE NATIONAL COUNCIL FOR US-CHINA TRADE HAD CONTACTED THE NEW YORK BRANCH OF GENERAL SUPERINTENDENCE ON THESE MATTERS.

9. ABACUS GROUP OF AMERICA INC. ALAN CHIEN OF THIS NEW YORK FIRM IS ON A TEN DAY VISIT TO PEKING AND SHANGHAI AT THE INVITATION OF THE TEXTILES CORPORATION. BORN IN SHANGHAI, HE HAS RETURNED TO CHINA FOR THE FIRST TIME SINCE 1949. CHIEN PURCHASED GARMENTS AND COTTON SHOES, AND OFFERED TO SELL THE CHINESE RECONDITIONED IBM OFFICE EQUIPMENT AND A LINE OF FACTORY TIME CLOCKS. THE CHINESE SAID THEY WOULD CONSIDER THE OFFICE EQUIPMENT, BUT TOLD CHIEN THAT FACTORY TIME CLOCKS ARE NOT NEEDED IN THE "NEW CHINA."

10. THE ABOVE INFORMATION, PARTICULARLY PARAGRAPHS TWO THROUGH FIVE, SHOULD BE TREATED AS COMMERCIALY SENSITIVE.
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